



# **SWARTZ CREEK AREA FIRE BOARD**

**SWARTZ CREEK, MICHIGAN**

**REPORT FOR THE YEAR ENDED DECEMBER 31, 2004**

# Auditing Procedures Report

Issued under P.A. 2 of 1968, as amended.

Local Government Type <input type="checkbox"/> City <input type="checkbox"/> Township <input type="checkbox"/> Village <input checked="" type="checkbox"/> Other		Local Government Name <b>Swartz Creek Area Fire Board</b>	County <b>Genesee</b>
Audit Date <b>12/31/04</b>	Opinion Date <b>2/22/05</b>	Date Accountant Report Submitted to State: <b>5/15/05</b>	

We have audited the financial statements of this local unit of government and rendered an opinion on financial statements prepared in accordance with the Statements of the Governmental Accounting Standards Board (GASB) and the *Uniform Reporting Format for Financial Statements for Counties and Local Units of Government in Michigan* by the Michigan Department of Treasury.

We affirm that:

1. We have complied with the *Bulletin for the Audits of Local Units of Government in Michigan* as revised.
2. We are certified public accountants registered to practice in Michigan.

We further affirm the following. "Yes" responses have been disclosed in the financial statements, including the notes, or in the report of comments and recommendations

You must check the applicable box for each item below.

- ☐ Yes ☒ No 1. Certain component units/funds/agencies of the local unit are excluded from the financial statements.
- ☐ Yes ☒ No 2. There are accumulated deficits in one or more of this unit's unreserved fund balances/retained earnings (P.A. 275 of 1980).
- ☐ Yes ☒ No 3. There are instances of non-compliance with the Uniform Accounting and Budgeting Act (P.A. 2 of 1968, as amended).
- ☐ Yes ☒ No 4. The local unit has violated the conditions of either an order issued under the Municipal Finance Act or its requirements, or an order issued under the Emergency Municipal Loan Act.
- ☐ Yes ☒ No 5. The local unit holds deposits/investments which do not comply with statutory requirements. (P.A. 20 of 1943, as amended [MCL 129.91], or P.A. 55 of 1982, as amended [MCL 38.1132]).
- ☐ Yes ☒ No 6. The local unit has been delinquent in distributing tax revenues that were collected for another taxing unit.
- ☐ Yes ☒ No 7. The local unit has violated the Constitutional requirement (Article 9, Section 24) to fund current year earned pension benefits (normal costs) in the current year. If the plan is more than 100% funded and the overfunding credits are more than the normal cost requirement, no contributions are due (paid during the year).
- ☐ Yes ☒ No 8. The local unit uses credit cards and has not adopted an applicable policy as required by P.A. 266 of 1995 (MCL 129.241).
- ☐ Yes ☒ No 9. The local unit has not adopted an investment policy as required by P.A. 196 of 1997 (MCL 129.95).

**We have enclosed the following:**

	Enclosed	To Be Forwarded	Not Required
The letter of comments and recommendations.	✓		
Reports on individual federal financial assistance programs (program audits).			✓
Single Audit Reports (ASLGU).			✓

Certified Public Accountant (Firm Name) <b>Roy, Noye &amp; Associates, CPA, PC</b>			
Street Address <b>2503 S. Linden Rd Ste 120</b>	City <b>Flint</b>	State <b>MI</b>	ZIP <b>48532</b>
Accountant Signature		Date	

## **TABLE OF CONTENTS**

	<u>Page</u>
Report of Independent Auditors	I
Management's Discussion and Analysis	II-III
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Assets	1
Statement of Activities	2
Fund Financial Statements:	
Balance Sheet – Governmental Funds	3
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	4
Notes to the Financial Statements	5-8
Required Supplementary Information	
Budgetary Comparison Schedules:	
Operation & Maintenance Fund	9
Other Supplemental Schedules:	
Schedule of Expenditures – Operation & Maintenance Fund	10

## Independent Auditors' Report

Board of Directors  
Swartz Creek Area Fire Board

We have audited the accompanying financial statements of the governmental activities of Swartz Creek Area Fire Board, as of and for the year ended December 31, 2004. These financial statements are the responsibility of the Board's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Governmental Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities of Swartz Creek Area Fire Board as of December 31, 2004, and the respective changes in financial position, thereof for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

As described in Note 2, the Board has implemented a new financial reporting model, as required by the provisions of *GASB Statement No. 34, Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, as of January 1, 2004, along with all related statements and interpretations.

The management's discussion and analysis and budgetary comparison information on pages II – III and 9 are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquires of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Swartz Creek Area Fire Board's basic financial statements. The accompanying other supplementary information, as identified, in the table of contents is presented for purpose of additional analysis and is not a required part of the basic financial statements. The other supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*Roy May Associates CPA, PC*  
CERTIFIED PUBLIC ACCOUNTANTS

February 22, 2005

**Swartz Creek Area Fire Board  
Management's Discussion and Analysis  
For the Year Ended December 31, 2004**

---

As management of the Swartz Creek Area Fire Board, we offer readers of the Swartz Creek Area Fire Board's financial statements this narrative overview and analysis of the financial activities of the Swartz Creek Area Fire Board for the year ended December 31, 2004.

The basic financial statements for the Swartz Creek Area Fire Board are comprised of the statement of net assets, statement of activities, governmental funds balance sheet & statement of revenues, expenditures, and changes in fund balance and notes to the financial statements.

The statement of net assets presents the information of the governmental fund for both the assets and liabilities, with the difference between the two reported as net assets.

The statement of activities presents information showing how the governmental fund's net assets changed during the most recent calendar year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenue and expenditures are reported in this statement for some items that will only result in cash flows in future periods.

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the governmental fund financial statements.

**First Year – Governmental Accounting Standards Board Statement No. 34**

The Board is implementing the new Governmental Accounting Standards Board Statement No. 34 reporting requirements this year. Known as GASB 34, the new reporting requirements include this letter, which should provide comparative analysis between current-year and prior-year financial information. However, as this is the first year the Board is implementing GASB 34, the prior-year financial information is not available in the GASB 34 format. The Governmental Accounting Standards Board (GASB) has recognized this problem, and does not require the Board to restate prior year financial information for the purposes of provided comparative data in the first year of implementation. The Board will present a comparative analysis of government-wide data in future years when prior information is available.

**Financial Highlights**

The government-wide financial analysis focuses on the Statement of Net Assets and the Statement of Activities. The total assets of the Board are \$202,088 of which \$21,350 represents cash and cash equivalents. The liabilities are \$13,079, which represents amounts due to vendors, leaving current net assets of \$189,009.

Net assets decreased \$59,362 for the Board as a result of \$321,108 in fire protection expenses which are offset by general revenues of \$272,920. The Board also reimbursed the Municipalities for prior year's surplus. This figure was \$11,174. There is a reconciliation of the change in net assets on page 4.

**Swartz Creek Area Fire Board  
Management's Discussion and Analysis  
For the Year Ended December 31, 2004**

---

Net assets invested in capital assets amount to \$173,664 leaving unrestricted net assets of \$1,090 and restricted net assets of \$14,255, which represents the excess of current year revenues over expenditures. This excess is to be reimbursed to the City of Swartz Creek and Clayton Township.

Capital assets include total assets of \$1,276,894. These assets are depreciated over various lives based on the type of asset. Accumulated depreciation to date is \$1,103,230. Should the Board ever disband the capital assets are to be allocated based on contributions made by each participating unit for specific years.

**Swartz Creek Area Fire Board**  
**Statement of Net Assets**  
**December 31, 2004**

---

<u>ASSETS</u>	<u>Governmental Activities</u>
<u>CURRENT ASSETS</u>	
Cash and Cash Equivalents	\$ 21,350
Due From Other Governmental Units	2,961
Prepaid Insurance	4,113
Total Current Assets	<u>\$ 28,424</u>
<u>NON-CURRENT ASSETS</u>	
Capital Assets	1,276,894
Less: Accumulated Depreciation	<u>(1,103,230)</u>
Total Noncurrent Assets	<u>\$ 173,664</u>
<u>TOTAL ASSETS</u>	<u>\$ 202,088</u>
<u>LIABILITIES</u>	
<u>CURRENT LIABILITIES</u>	
Accounts Payable	<u>13,079</u>
<u>TOTAL LIABILITIES</u>	<u>\$ 13,079</u>
<u>NET ASSETS</u>	
<u>NET ASSETS</u>	
Invested in Capital Assets	173,664
Restricted for Subsequent Expenditures	14,255
Unrestricted	<u>1,090</u>
<u>TOTAL NET ASSETS</u>	<u><u>\$ 189,009</u></u>

See Accompanying Notes to Financial Statements

**Swartz Creek Area Fire Board**  
**Statement of Activities**  
**December 31, 2004**

FUNCTIONS/PROGRAMS	Expenses	Program Revenues		Net (Expense) Revenue & Change in Net Assets
		Charges For Services	Operating Grants and Contributions	
Governmental Activities:				
Public Safety	\$ 321,108	\$ -	\$ -	\$ (321,108)
General Revenues:				
Property Taxes				270,661
Investment Earnings				558
Miscellaneous				3
Sale of Fixed Assets				1,698
Total General Revenues and Transfers				\$ 272,920
Reimbursements to Municipalities for prior year's surplus				\$ (11,174)
Change in Net Assets				\$ (59,362)
Net Assets - Beginning - As Restated				248,371
Net Assets - Ending				\$ 189,009

See Accompanying Notes to Financial Statements

**Swartz Creek Area Fire Board**  
**Balance Sheet**  
**Governmental Funds**  
**December 31, 2004**

	Operation & Maintenance Fund	Total Governmental Funds
<b><u>ASSETS</u></b>		
Cash and Cash Equivalents	\$ 21,350	\$ 21,350
Due from Other Governmental Units		
Clayton Township	1,602	1,602
Swartz Creek	1,359	1,359
Prepaid Insurance	4,113	4,113
 <b><u>TOTAL ASSETS</u></b>	 <b><u>\$ 28,424</u></b>	 <b><u>\$ 28,424</u></b>
 <b><u>LIABILITIES</u></b>		
Accounts Payable	\$ 13,079	\$ 13,079
 <b><u>FUND BALANCES</u></b>		
Restricted for Subsequent Expenditures	14,255	14,255
Unreserved	1,090	1,090
Total Fund Balances	\$ 15,345	\$ 15,345
 <b><u>TOTAL LIABILITES AND FUND BALANCES</u></b>	 <b><u>\$ 28,424</u></b>	 <b><u>\$ 28,424</u></b>

See Accompanying Notes to Financial Statements

**Swartz Creek Area Fire Board**  
**Reconciliation of Total Governmental Fund Balances To**  
**Net Assets of Governmental Activities**  
**December 31, 2004**

---

Total Governmental Fund Balances:	\$ 15,345
-----------------------------------	-----------

Amounts reported for governmental activities in the statement of  
net assets are different because:

Capital assets used in governmental activities are not financial  
resources and therefore are not reported as assets in governmental  
funds. The cost of the assets is \$ 1,276,894 and the  
accumulated depreciation is \$ 1,103,230.

173,664
---------

**TOTAL NET ASSETS -**  
**GOVERNMENTAL ACTIVITIES**

<b><u>\$ 189,009</u></b>
--------------------------

**Swartz Creek Area Fire Board**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended December 31, 2004**

	Operation & Maintenance Fund	Total Governmental Funds
<b><u>REVENUES</u></b>		
Contributions From Local Units	\$ 270,661	\$ 270,661
Earnings on Investments and Deposits	558	558
Proceeds from Sale of Fixed Assets	1,698	1,698
Other Income	3	3
Total Revenues	<u>\$ 272,920</u>	<u>\$ 272,920</u>
<b><u>EXPENDITURES</u></b>		
Operation and Maintenance	199,490	199,490
Vehicle Maintenance	22,129	22,129
Capital Outlay	37,046	37,046
Total Expenditures	<u>\$ 258,665</u>	<u>\$ 258,665</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ 14,255	\$ 14,255
 <b><u>FUND BALANCE - BEGINNING</u></b>	 \$ 12,264	 \$ 12,264
Excess (Deficiency) of Revenues Over (Under) Expenditures	14,255	14,255
Reimbursements to Municipalities for prior year's surplus	<u>(11,174)</u>	<u>(11,174)</u>
<b><u>FUND BALANCE - ENDING</u></b>	<u>\$ 15,345</u>	<u>\$ 15,345</u>

See Accompanying Notes to Financial Statements

**Swartz Creek Area Fire Board**  
**Reconciliation of The Statement of Revenues, Expenditures**  
**and Changes in Fund Balances of Governmental Funds**  
**To The Statement of Activities**  
**For the Year Ended December 31, 2004**

---

Total net change in fund balances - governmental funds	\$ 3,081
--	----------

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense exceeded capital outlay in the current period.

(62,443)
----------

CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES

<u>\$ (59,362)</u>
--------------------

**Swartz Creek Area Fire Board**  
**Notes to Financial Statements**  
**For the Year Ended December 31, 2004**

---

1) DESCRIPTION OF FIRE AUTHORITY OPERATIONS

The Swartz Creek Area Fire Board has been organized as a joint venture of the City of Swartz Creek and the Township of Clayton in Genesee County, Michigan. The organizational agreement provides for a joint exercise of power and the establishment of a separate administrative entity. Members of the Fire Board are appointed by the City and Township. The participating governmental units provide revenue to the department on the basis of fire runs.

The City of Swartz Creek and Township of Clayton each have an undivided one-half interest in the assets of the Fire Board. The City and Township have also provided the Fire Board with the use of several vehicles. Title to these vehicles remains with the contributing unit of government.

2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of Swartz Creek Fire Board conform to generally accepted accounting principles as applicable to governmental entities. The following is a summary of the significant accounting policies:

In June 1999 the Governmental Accounting Standards Board (GASB) issued Statement No. 34, Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments. Certain of the significant changes in the Statement include the following:

A Management Discussion and Analysis (MD&A) section to provide an analysis of the Board's overall financial position and results of operations.

Financial statements prepared with full accrual accounting for all of the Board's activities.

- A change in the fund financial statements to focus on the major funds.

These and other changes are reflected in the accompanying financial statements and notes to the financial statements.

A) BASIC FINANCIAL STATEMENTS – GOVERNMENT-WIDE STATEMENTS

The Board's basic financial statements include both government-wide (reporting the Board as a whole) and fund financial statements (reporting the Board's major funds). The government-wide financials statements categorize primary activities as either governmental or business type. All of the Board's activities are classified as governmental activities.

In the government-wide Statement of Net Assets, the governmental activities column is presented on a consolidated basis and is reported on a full-accrual economic resource basis, which recognizes all long-term assets and receivables. The Board's net assets are reported in three parts: invested in capital assets; restricted net assets; and unrestricted net assets.

The government-wide Statement of Activities reports both the gross and net cost of each of the Board's functions. General government revenues also support the functions. The Statement of Activities reduces gross expenses by related program revenues, operating and capital grants. Program revenues must be directly associated with the functions. Operating grants include operating-specific and discretionary grants. The net costs by function are normally covered by general revenue (property taxes, state and federal sources, interest income, etc.).

**Swartz Creek Area Fire Board**  
**Notes to Financial Statements**  
**For the Year Ended December 31, 2004**

---

2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B) BASIC FINANCIAL STATEMENTS – FUND FINANCIAL STATEMENTS

The accounts of the Board are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues, and expenditures. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

GOVERNMENTAL FUNDS

General Fund – Operation & Maintenance Fund

The General Fund is the general operating fund of the Board. It is used to account for all financial resources except those required to be accounted for in another fund.

C) BASIS OF ACCOUNTING/MEASUREMENT FOCUS

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (revenues and other financing sources and decreases (expenditures and other financing uses) in current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

Accrual

Governmental activity in the government-wide financial statements is presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

Modified Accrual

The governmental funds financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within 60 days of year end. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred.

Those revenues susceptible to accrual are property taxes, interest revenue, grants and charges for services. Other revenue is recorded when received.

D) CASH AND CASH EQUIVALENTS

The Board considers highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

Investments are reported at fair value which is determined using selected bases. Short-term investments are reported at cost, which approximates fair value. Securities traded on a national exchange are valued at the last reported sales price and investments that do not have an established market are reported at estimated fair value. Cash deposits are reported at carrying amount which reasonably estimates fair value.

**Swartz Creek Area Fire Board**  
**Notes to Financial Statements**  
**For the Year Ended December 31, 2004**

---

2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E) CAPITAL ASSETS

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net assets but are not reported in the fund financial statements.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year.

All reported capital assets are depreciated. Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Governmental Activities</u> <u>Estimated Lives</u>
Equipment	5 - 10 years

F) NET ASSETS

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, consists of capital assets, net of accumulated depreciation. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Board or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

G) ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

3) DEPOSITS AND INVESTMENTS

Deposits are carried at cost. Deposits of the Fire Board are at one bank in the name of Swartz Creek Area Fire Department. Michigan Compiled Laws (MCL), Section 129.91, authorized a local unit to deposit and invest in the accounts of Federally insured banks, credit unions and savings and loan associations; bond securities, and other obligations of the United States, or an agency or instrumentality of the United States in which the principal and interest is fully guaranteed by the United States, including securities issued or guaranteed by the Government National Mortgage Association; United States government or Federal agency obligation repurchase agreement; bankers' acceptance of United States banks; mutual funds composed of investment vehicles which are legal for direct investment by local units of government in Michigan; and commercial paper rated by two standard rating agencies within the three highest classifications, which matures not more than 270 days after the date of purchase, and which involves no more than 50 percent of any one fund. Michigan law prohibits security in the form of collateral, surety bonds, or other forms for the deposit of public money. Attorney General's Opinion No. 6168 states that public funds may not be deposited in financial institutions located in states other than Michigan.

At December 31, 2004, the carrying amount of the Board's deposits was \$21,350 and the bank balance was \$37,535, all of which was covered by federal depository insurance.

**Swartz Creek Area Fire Board**  
**Notes to Financial Statements**  
**For the Year Ended December 31, 2004**

---

4) **DUE FROM OTHER UNITS OF GOVERNMENT**

As of December 31, 2004, the Fire Board had amounts due from other units of government as follows:

Clayton Township	\$ 1,602
City of Swartz Creek	<u>1,359</u>
	<u>\$ 2,961</u>

5) **CAPITAL ASSETS**

Capital asset activity for the fiscal year ended December 31, 2004, was as follows:

	Balance January 1, 2004	Additions	Deletions	Balance December 31, 2004
Machinery and Equipment	\$ 457,503	\$ 27,266	\$ 11,007	\$ 473,762
Vehicles	877,513	-	117,553	759,959
Office equipment	43,561	499	888	43,173
Less: Accumulated Depreciation	<u>(1,003,741)</u>	<u>(99,489)</u>	<u>-</u>	<u>(1,103,230)</u>
	<u>\$ 374,836</u>	<u>\$ (71,724)</u>	<u>\$ 129,448</u>	<u>\$ 173,664</u>

Depreciation expense was charged to functions/programs of the primary government as follows:

Public Safety    \$99,489

6) **RESTATEMENT OF GOVERNMENT-WIDE NET ASSETS**

For the year ended December 31, 2004, the Board implemented GASB Statement 34. As a result, capital assets and accumulated depreciation were recorded for the first time. Net assets were restated as of January 1, 2004 for the recording of accumulated depreciation. See January 1, 2004 balances illustrated in Note 5.

7) **CONTINGENCIES**

In the ordinary course of business, the Board is involved in various pending or threatened legal actions. The Board believes that any ultimate liability arising from these actions will not have a material adverse effect on its financial position.

REQUIRED  
SUPPLEMENTARY  
INFORMATION

**Swartz Creek Area Fire Board**  
**Statement of Revenues, Expenditures and Changes**  
**in Fund Balance - Budget and Actual**  
**Operation & Maintenance Fund**  
**For the Year Ended December 31, 2004**

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
<u>REVENUES</u>	\$ 270,840	\$ 270,840	\$ 272,920	\$ 2,080
<u>EXPENDITURES</u>				
Operation and Maintenance	270,840	270,840	258,665	12,175
Excess of Revenues Over Expenditures		\$ -	\$ 14,255	\$ 14,255
 <u>FUND BALANCE - BEGINNING</u>			12,264	
Excess of Revenues over Expenditures			14,255	
Reimbursements to Municipalities for for prior year's surplus			(11,174)	
 <u>FUND BALANCE - ENDING</u>			<u>\$ 15,345</u>	

OTHER SUPPLEMENTAL  
INFORMATION

**Swartz Creek Area Fire Board**  
**Operation & Maintenance Fund**  
**in Fund Balance - Budget and Actual**  
**Operation & Maintenance Fund**  
**For the Year Ended December 31, 2004**

---

**EXPENDITURES**

**Operation & Maintenance**

Salaries - staff	\$ 48,595
Salaries - officers	10,020
Salaries - firefighters	64,319
Deferred compensation	2,820
Payroll taxes	9,293
Medical expense	4,924
Office supplies	1,816
Building supplies	283
Communications and alarms	3,441
Operating supplies	156
Equipment supplies	5,487
Contract services	5,209
Insurance	23,408
Utilities	11,205
Equipment maintenance	22,130
Equipment	37,046
Education and training	8,513

**TOTAL EXPENDITURES**

**\$ 258,665**

2503 S. LINDEN RD., SUITE 120 • FLINT, MI 48532 • P. 810.720.4700 • F. 810.720.4701

Robert C. Noye II, CPA